



OIL AND NATURAL GAS CORPORATION LIMITED

SECRETARIAT

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ONGC/CS/SE/2015

14th February, 2015

The Bombay Stock Exchange Limited, Corporate Relationship Department Phiroze Jeejeebhoy Towers Dalal Street, Fort MUMBAI – 400 001	National Stock Exchange of India Ltd. Exchange Plaza Bandra-Kurla Complex Bandra (E) MUMBAI – 400 051
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Sub: Press Release pursuant to Clause 36 of the Listing Agreement.

Dear Sirs,

Pursuant to Clause 36 of the Listing Agreement, please find enclosed a copy of Press Release dated 14th February, 2015 issued by ONGC on the following subject:

- ✓ ONGC declares results for Q3 FY'15.
- ✓ Net profit down by 50% ;
- ✓ Notifies 18 discoveries so far in FY'15

Thanking you

Yours faithfully,
for OIL AND NATURAL GAS CORPORATION LTD.


(N. K Sinha)
Company Secretary

Encl : As above



Oil and Natural Gas Corporation Ltd.

Press Release

ONGC declares results for Q3 FY'15 Net profit down by 50% ; notifies 18 discoveries so far in FY'15

New Delhi February 14, 2015

In its 266th Board Meeting held on February 14, 2015, ONGC presented the Quarterly results for the quarter ended December 31, 2014.

1. ONGC Performance Highlights : Q3 FY'15

•	Q3 FY'15 Gross Revenue ₹18,770 Crore (against ₹20,833 Crore in Q3 FY'14)
•	Net Profit ₹ 3,571 Crore in Q3 FY'15 as against ₹7,126 Crore in Q3 FY'14.
•	Two more hydrocarbon discoveries have been notified. 1. Oil & Gas Discovery in well G-1-NE-1 in deep water PML Block Vashishta, KG Offshore, KG Basin 2. Gas discovery in well G-1-NE-2 in deep water Block Vashishta, KG Offshore, KG Basin With this ONGC has so far made total 18 discoveries in 2014-15 against 14 discoveries during 2013-14
•	ONGC's Crude Oil production increased by 3.4% (quarter to quarter)
•	Subsidy ₹ 9,458 Crore in Q3 FY'15 as against ₹13,764 Crore in Q3 FY'14.

2. Production Performance (ONGC +Share in JVs)

	Q3			9 Months			Actual FY'14
	FY15	FY 14	% Var	FY15	FY 14	% Var	
Crude Oil – ONGC (MMT)	5.300	5.128	3.35	15.617	15.327	1.9	20.440
Crude oil – JVs – (MMT)	0.952	0.978	(2.66)	2.765	2.806	(1.5)	3.747
Condensate	0.360	0.442	(18.55)	1.106	1.392	(20.5)	1.806
Total Crude Oil – (MMT)	6.612	6.548	0.98	19.488	19.525	(0.2)	25.993
Gas – ONGC (BCM)	5.618	5.882	(4.49)	16.597	17.473	(5.0)	23.284
Gas – JVs (BCM)	0.394	0.403	(2.23)	1.126	1.205	(6.6)	1.567
Total Gas (BCM)	6.012	6.285	(4.34)	17.723	18.678	(5.1)	24.851
Value Added Products (KT)	712	765	(6.93)	2101	2,271	(7.5)	3016

3. Financial Results

(₹ in Crore)							
Particulars	Q3			9 Months			FY'14
	FY'15	FY'14	% Var	FY'15	FY'14	% Var	
Gross Revenue	18,770	20,833	(9.9)	61,010	62,499	(2.4)	83,468
Profit Before Tax (PBT)	5,166	10,582	(52.4)	20,299	25,454	(20.3)	32,433
Profit After Tax (PAT)	3,571	7,126	(49.9)	13,798	17,206	(19.8)	22,095

4. Impact of Under-recovery Discount to OMCs on Profits

(₹ in Crore)					
Details	Q3		9 Months		FY'14
	FY'15	FY'14	FY'15	FY'14	
Gross Discount	9,458	13,764	36,300	40,182	56,384
Impact on Statutory Levies	1,299	2,176	5,354	6,246	8,628
Impact on Profit Before Tax	8,159	11,588	30,946	33,936	47,756
Impact on Profit After Tax	5,386	7,649	20,427	22,401	31,524

5. Impact of Discount on Retention Price of Crude Oil:

Particulars	Q3		9 months		FY'14
	FY'15	FY'14	FY'15	FY'14	
A. In USD per BBL					
Pre-Discount Price	76.00	108.19	95.39	106.72	106.72
Discount	40.43	62.20	54.20	62.95	65.75
Post-Discount Price	35.57	45.99	41.19	43.77	40.97
B. Average ₹/USD Exchange Rate	62.00	62.03	60.77	60.08	60.50
C. In ₹ per BBL					
Pre-Discount Price	4,712	6,711	5,797	6,412	6,456
Discount	2,507	3,858	3,294	3,782	3,978
Post-Discount Price	2,205	2,853	2,503	2,630	2,478
D. Discount to Pre-Discount Price (%)	53	57	57	59	62

6. Highlights

6.1 Discoveries:

So far, total 18 discoveries have been made by ONGC in 2014-15.

Following **eight** hydrocarbon discoveries have been made since declaration of results for **H1**:

1) Oil & Gas Discovery in well G-1-NE-1 in deep water PML Block Vashishta, KG Offshore, KG Basin

ONGC has made oil & gas discovery in the well G-1 -NE-1, in Vashishta PML Block (KG-OS-DW-IV) at water depth of 260m in the KG offshore. The well was drilled down to 2,790 m with objective to explore Godavari Clay Formation of Pliocene age and on testing produced oil @ 2842 bbl/d and Gas @ 74,198 M3/D.

G-1-NE-1 is located 22.6 km from the coast, 31 km SE of Odalarevu GGS. G-1, which is under development and under production is the nearest field to the present discovery. The oil production from this discovery will augment production profile of G-1 field and open up substantial prospective area between the Kanakdurga and producing G-1 Fields.

2) Gas discovery in well G-1-NE-2 in deep water Block Vashishta, KG Offshore, KG Basin

ONGC has made gas discovery in the well G-1-NE-2, in Vashishta PML Block (KG-OS-DW-IV) at water depth of 292 m in the KG offshore. The well was drilled down to 3015 m with objective to explore Godavari Clay Formation of Pliocene age. The well on testing produced condensate @ 304 BOPD and gas @ 232279M3/d.

The well G-1-NE-2 is located about 30 km SE of Odalarevu and about 10 km NE of gas producing well G-1-11 of G-1 field. This new gas pool discovery, being in proximity to the G-1 field is significant for augmenting gas production from G-1 field.

3) Thirunagari Gas Discovery (MD-5):

ONGC has made a gas discovery in Cauvery Basin in the well MD-5. This is the second hydrocarbon discovery made by the ONGC in the NELP-IV block CY-ONN-2002/2 which is **anew prospect discovery**.

During testing of the Basement section, the well MD-5 flowed gas @ 61,800 m³/d with 9.6 m³/d Condensate through 7 mm bean. The discovery is named as "Thirunagari Gas Discovery" after the name of the nearby village where the well has been drilled. This discovery is envisaged to enhance the commercial viability of the CY-ONN-2002/2 block.

4) Gas Discovery in GD-11-1:

ONGC has made a significant gas discovery in the nomination deep water block KG-OS-DW-III in KG Offshore. It is a **new prospect discovery**. Exploratory well GD-11-1(AA) lies in the PEL block KG-OS-DW-III in Krishna Godavari deep offshore at water-depth of 812 m and has been drilled down up to 2,932m.

While drilling the Pliocene Godavari Formation about 36m of gas pay was encountered. On conventional testing of object-I in the interval 2,575-2,557 m well flowed gas @ 648,152 M3/d through 32/64"choke. The well has further established the hydrocarbon prospectivity in PEL block KG-OS-DW-III. With the discovery of gas from GD-11-1 from a similar play as that of KG-OSN-2004/1 has opened up a large opportunity and further assessment is in progress.

5) WO-5-G (WO-5-11), Western Offshore:

Exploratory well WO-5-11 in BOFF PML of BH-DCS sector in Mumbai Offshore was drilled to explore Hydro-carbon potential of Mukta & Bassein formations. On the basis of evaluation of drilling data, electro log analysis, sidewall cores and MDT results, one object (interval 2,208-2,215m) in Panna Formation was identified for testing which flowed oil @1539 BPD and gas @ 9,974 m³/day through 12mm choke.

6) Gas discovery in well Damoh-4, Vindhyan Basin, MP:

ONGC made a new Gas **pool** discovery in exploratory well Damoh-4 in nomination PEL block of Damoh-Jabera-Katni, Vindhyan Basin in Damoh district in the state of Madhya Pradesh. The well was drilled to a depth of 1652.5m. The well on testing flowed gas @ 443m³/d through 4mm bean. The discovery has opened up new play in Damoh-Jabera-Katni PEL area of Vindhyan Basin for further exploration.

7) Gas discovery in block GK-OSN-2009/1, Kutch Offshore

ONGC made a new oil & gas **prospect** discovery in the well GKS091NDA-1 falling in the NELP block GK-OSN-2009/1 in Kutch Offshore. ONGC is the operator (40%) while other partners are AWEL (20%), GSPC-20% & IOC (20%).

On testing, the Object-I in the interval of 1593.5-1595m flowed oil @ 154 BPD and gas @ 8337m³/d. Second Object in the interval of 1482-1485m flowed gas @ 194,360 m³/d thru ½" choke.

8) Madanam-6 (NMAD), Tamil Nadu

The well Madanam-6 (NMAD) falling in NELP Block CY-ONN-2002/2 was drilled to appraise the MD-3 oil discovery from Basement. It is located about 8.0 km northeast of the Sirkazhi town in Nagapattinam district of Tamilnadu. The block is operated by ONGC having 60% PI and BPRL with 40 % PI is the partner.

On testing Object II in the interval 1375.5 – 1374.5m in Kamalapuram Formation, well flowed oil @ 24 m³/d (6mm bean) & Gas @ 35000M³/day. Madanam-6 has been declared as a new pool discovery in Kamalapuram formation.

The new **pool** discovered in Kamalapuram formation is expected to enhance the commercial viability of the NELP block CY-ONN-2002/2.

6.3 Corporate highlights :

I. Prime Minister dedicates Unit-2 of OTPC to the nation

Prime Minister of India, Shri Narendra Modi dedicated the 2nd unit of OTPC's (ONGC Tripura Power Corporation Limited), 726.6 MW gas-based power plant at Palatana, Tripura to the Nation on December 01, 2014. OTPC is a joint venture of ONGC, IL&FS, Govt. of Tripura and others. ONGC Tripura Power Company is one of the biggest Clean Development Mechanism (CDM) projects of the world.

II. ONGC signs MoC with Pan-IIT Forum to strengthen its R&D campaign.

ONGC and Pan-IIT, a consortium of seven premier Indian Institutes of Technology namely, IIT-Kharagpur, IIT-Kanpur, IIT-Madras, IIT-Bombay, IIT-Delhi, IIT-Guwahati and IIT-Roorkee, entered into a Memorandum of Collaboration (MoC) on January 19, 2015 at New Delhi to work towards a collective R&D Programme for developing indigenous technologies to enhance exploration and exploitation of hydrocarbons

and alternate sources of energy. The MoC was signed in the presence of Union Minister for HRD Smt Smriti Zubin Irani and Minister of State (I/C) Petroleum & Natural Gas, Shri Dharmendra Pradhan by CMD, ONGC and Director, IIT-Kharagpur who is also coordinating Director for the Pan-IIT Forum.

III. ONGC and PLL sign Extraction Agreement

ONGC and Petronet LNG Limited (PLL) have executed long pending Extraction Agreement on 6th January 2015. The agreement would enable PLL to commence supply of Rich LNG as feed to ONGC's C2-C3 Plant in Dahej SEZ for extraction of higher hydrocarbons [Ethane(C2), Propane(C3) and Butane(C4)], which would be feed stock for OPaL.

IV. Public Grievance Redressal Portal launched in ONGC

The web-based Grievance Redressal system was launched in ONGC on the eve of the 66th Republic Day. This portal is a step further to empower each stakeholder viz. citizens/ vendor/ employee/ former-employee to register their grievances related to any operational wing of ONGC, through a single window on corporate web portal. A structured apparatus has been operationalized to process the grievances within a limited time frame.

6.4 Other Highlights:

i) Heera Redevelopment Process Platform installed by 'Float-over Technology'

HRD process platform, constructed at PTSC fabrication yard at Vung Tau city in Vietnam, was installed successfully on 15th January, 2015 using the state-of-the-art Float-Over technology, whereby the entire prefabricated platform is installed on the jackets.

ii) MRPL ships maiden International solid cargo of Sulphur to China

MRPL on 6th January, 2015 moved its first international solid cargo of Sulphur from NMPT. The cargo of the 16,500 MT of 'solid Sulphur' headed to Zhenjiang Port in China for the customer, M/s Mitsui & Co which had bid online. The Sulphur was produced in the Phase I, II & III Sulphur Recovery Units of MRPL.

iii) ONGC conferred upon 'Outstanding Accomplishment' awards at CII-ITC Sustainability Awards

ONGC was bestowed with 'Outstanding Achievement' awards under Corporate Excellence at CII-ITC Sustainability Awards 2014 on 19th December 2014. The CII-ITC Sustainability Awards recognizes companies which have successfully and substantially incorporated sustainability in their business. The rigorous award evaluation process helps companies to improve their sustainability initiatives and overall performance.

iv) ONGC units bestowed with OISD Awards

ONGC secured five awards at the Oil Industry Safety Directorate (OISD) Awards ceremony for 2012-13, held at Delhi on December 3, 2014.

For further information, please visit our website www.ongcindia.com

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